ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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RESTAURANT LICENSING GUIDELINES

SUPPLEMENT TO RESTAURANT OPERATION PLAN

STATUTORY FRAMEWORK:

A.R.S. Section 4-205.02:

- A. The Director may issue a restaurant license to any restaurant in this state which is regularly open for the serving of food to guests for compensation, and has suitable kitchen facilities connected with the restaurant for keeping, cooking, and preparing foods required for ordinary meals.
- D. In addition to other grounds prescribed in this title upon which a license may be revoked, the Director may revoke a restaurant license issued pursuant to this section in any case in which the licensee ceases to operate as a restaurant, as prescribed in Subsection A of this section.
- G. For the purpose of this section:
 - 'Restaurant' means an establishment which derives at least forty per cent of its gross revenue from the sale of food.
 - 'Gross Revenue' means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

STATEMENT OF PURPOSE:

Rule 19-1-310 is provided to ensure uniform application of A.R.S. Section 4-205.02 and inform applicants for restaurant licenses.

R 19-1-310. <u>Criteria for issuing restaurant license</u>

- A. The following factors are to be considered by the department in determining when a protest will be made against a restaurant license application. Any combination of four or more factors may result in a Department protest:
 - The number of cooks, food preparation personnel, waiters or waitresses do not appear to be a sufficient number to prepare and provide the proposed restaurant services.
 - 2) Restaurant equipment is not of sufficient grade or appropriate to the offered menu.
 - 3) The proposed menu is not of the type and price likely to achieve 40% food sales.
 - 4) There is the presence of a jukebox, live entertainment or dance floor on the premises.
 - 5) There is the presence of a number of bar games and equipment, such as pool tables, dart games, big screen televisions or arcade type games.
 - 6) Use of a term in the establishment's business name, signage or promotional material which places emphasis on alcohol consumption. Terms such as bar, tavern, pub, spirits, club, lounge, cabaret, saloon and other names which denote liquor sales will be considered as indication of non-restaurant format.
 - 7) More than 60% of the public seating consists of barstools, cocktail tables and similar type of seating, an indication that such area is used primarily for alcohol consumption.
 - 8) Dinnerware and smallware including dining utensils are not compatible with the offered menu.

Ausa Bains Morrison

Leesa Berens Morrison, Director